

SEP 14 2006

NOT FOR PUBLICATION

UNITED STATES COURT OF APPEALS

CATHY A. CATTERSON, CLERK
U.S. COURT OF APPEALS

FOR THE NINTH CIRCUIT

JOHN MORGAL; PATRICIA MORGAL,

Plaintiffs - Appellants,

v.

NORTHWEST TITLE AGENCY, INC.,

Defendant - Appellee.

No. 05-16321

D.C. No. CV-05-00682-JAT

MEMORANDUM*

Appeal from the United States District Court
for the District of Arizona
James A. Teilborg, District Judge, Presiding

Submitted September 11, 2006**

Before: PREGERSON, T.G. NELSON, and GRABER, Circuit Judges.

John and Patricia Morgal appeal pro se from the district court's judgment dismissing for lack of subject matter jurisdiction their action alleging that

* This disposition is not appropriate for publication and may not be cited to or by the courts of this circuit except as provided by 9th Cir. R. 36-3.

** The panel unanimously finds this case suitable for decision without oral argument. *See* Fed. R. App. P. 34(a)(2). Accordingly, we deny the Morgals' request for oral argument.

Northwest Title Agency, Inc. (“Northwest”) violated the automatic stay provided by 11 U.S.C. § 362 when it obtained an equitable mortgage on property the Morgals purchased from individuals who subsequently filed for bankruptcy. We have jurisdiction under 28 U.S.C. § 1291. After de novo review, *Noel v. Hall*, 341 F.3d 1148, 1154 (9th Cir. 2003), we affirm.

The district court correctly concluded that it lacked jurisdiction to consider the Morgals’ action because they sought invalidation of the state court judgment permitting foreclosure of Northwest’s equitable mortgage. *See id.* at 1158. The Morgals’ action was thus a de facto appeal of the state court judgment, and the district court was required to “refuse to decide any issue raised in the suit that is ‘inextricably intertwined’ with an issue resolved by the state court.” *Id.* We reject the Morgals’ contention that they have standing to pursue an independent action based on Northwest’s alleged violation of the automatic bankruptcy stay. *See Magnoni v. Globe Inv. and Loan Co. (In re Globe Inv. and Loan Co.)*, 867 F.2d 556, 559-60 (9th Cir. 1989).

The Morgals’ remaining contentions are also unpersuasive.

AFFIRMED.